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NPI and the Prescriber Edit

Beginning May 18, 2007, providers will no longer be able to submit Medicaid provider numbers on claims due to the implementation of NPI. In addition, pharmacy providers will also need to submit the prescriber's NPI in the prescriber field. It would be in the pharmacists' best interest to start requesting the prescriber's NPI number now and updating their systems accordingly. N.C. Medicaid will allow the pharmacy to submit the pharmacy provider NPI number in the prescriber field for a period of at least one month post implementation. This is intended to give the pharmacists additional time to obtain the prescriber's NPI number. If you use this option be sure to update your system once the actual NPI number is obtained or future refills may deny.

Removal of Neupogen from the Pharmacy Prior Authorization Program

Effective with date of service February 14, 2007, Neupogen no longer requires prior authorization from the Medicaid outpatient pharmacy program.

Prior Authorization Criteria Revised for Celebrex, Procrit/Epogen and Aranesp

The prior authorization criteria have been revised for the following medications in the Medicaid outpatient pharmacy prior authorization program:

- Celebrex
- Procrit/Epogen
- Aranesp

The revised criteria are available on the N.C. Medicaid Pharmacy Prior Authorization website at <http://www.ncmedicaidpbm.com>.

Addition to OTC Coverage List

The following loratadine OTC NDC is available for reimbursement by N.C. Medicaid in conjunction with a prescription order by the physician. The OTC list is located in the General Clinical Policy No. A-2 on the on DMA Website: <http://www.dhhs.state.nc.us/dma/APA/A2.pdf>.

Drug	NDC	Effective Date
Loratadine 10mg Tablets	00067-6070-30	1/27/2007

Botox Billing Update

Effective immediately, the online billing restriction for Botox was removed. Now, all claims for Botox can process online up to the billed amount of \$9,999.99.

Distribution of Unreported NPI and No NPES Certification on File Letters

N.C. Medicaid will be distributing letters to providers who have either failed to report to Medicaid an NPI for each of their Medicaid Provider Numbers or who have failed to submit the NPES certification for each of the NPIs reported.

It is a state requirement for providers to report NPI numbers to Medicaid and to provide Medicaid the NPES certification. This certification is the official letter or email from NPES identifying the NPI. The deadline for reporting the NPI to DMA is March 31, 2007.

The Unreported NPI letter will remind providers to report the NPI via the NPI Collection form or spreadsheet. To access the NPI Collection form or spreadsheet, visit <http://www.ncdhhs.gov/dma/NPI.htm>. The No NPES Certification on File letter will notify providers that DMA has received their NPI, but has not received a copy of the NPES certification. For a copy of the NPES certification, providers can contact the enumerator at 1-800-465-3203, or log on to <https://npes.cms.hhs.gov> and print the screen with the following information: NPI, taxonomy, Medicaid Provider Number, name, and address.

These letters will contain a label displaying the provider information. For providers who have not reported their NPI to Medicaid, the label will display the Medicaid provider number, which does not have an associated NPI on file. To resolve this situation, providers need to complete and submit the NPI Collection Form or Spreadsheet as soon as possible. A different letter will be sent to providers who have submitted their NPI to Medicaid but not the NPES certification letter. On this letter, the label will contain the Medicaid Provider Number and NPI number. Please email, fax, or mail the NPES certification as soon as possible upon receipt of this letter. Instructions for submitting the NPES certification letter can be found within the Instructions for Submitting the NPI Collection Form located at <http://www.ncdhhs.gov/dma/NPI.htm>.

These letters will be sent out monthly beginning February 2007. They will be sent to the provider's billing/accounting address. Please ensure these letters reach the parties responsible for reporting the NPI to Medicaid. Providers need to respond by immediately submitting their NPI and/or NPES certification to DMA as soon as possible.

Reporting the NPI via Automated Update

As an alternative to completing the Division of Medical Assistance (DMA) collection form, providers can now report NPI information by completing either a spreadsheet or flat file. Upon completion, NPI information will be automatically updated on the N.C. Medicaid provider database. This file will provide a more efficient mechanism for providers to notify DMA of their NPIs and to expedite the update of the provider database. Instructions for completing the spreadsheet or flat file are located on the DMA Website: <http://www.ncdhhs.gov/dma/NPI.htm>.

The following information is required when submitting this spreadsheet or flat file:

- Indicator- either (G) for Group Provider or (I) for Individual Provider
- NPI(s)
- Medicaid provider number(s)
- Organization name (if group)
- Provider Name (if individual)

- Physical address
- Accounting address
- Taxonomy code(s) (up to 15)
- Submitter name
- Submitter phone number
- Submitter e-mail address

Providers must use all capital characters when completing the spreadsheet. Complete a separate row to report the NPI and taxonomy for each Medicaid provider number. Organizational and individual names must exactly match how they are currently listed in the Medicaid database. Otherwise, updates will not take place. Providers should verify names on a current Remittance and Status Report (RA).

Upon completion, the spreadsheet or flat file text file must be e-mailed to: NCSUBMITNPI@eds.com. An automated e-mail confirmation will be sent to providers upon receipt to confirm that the file was received.

The NPPES certification letter or email for each NPI must still be submitted to the DMA. Send the NPPES certifications as follows:

Please Mail to: DMA Provider Services Attention: NPI Form 2501 Mail Service Center Raleigh, NC 27699-2501	Please Fax to: (919) 715-7140	Please E-mail to: npi.dma@ncmail.net
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How NPI Will Affect Remittance and Status Reports

Beginning May 18, 2007, providers will no longer be able to submit Medicaid provider numbers on claims due to the implementation of NPI. Remittance and Status reports (RAs) are also impacted by the implementation of NPI. The paper RA will be changing to contain the NPI submitted on the claim in addition to the Medicaid provider number. Only the NPI will be reported on 835 transactions. Since Medicaid will still be processing and paying claims based on the Medicaid provider number, providers may receive multiple 835 transactions depending on the number of Medicaid provider numbers for which claims were processed.

Electronic Mailing List

An NPI electronic mailing list is now under construction for providers, software vendors, clearinghouses, and other interested parties. The purpose of the mailing list is for N.C. Medicaid to provide immediate updates regarding NPI. To subscribe to the mailing list, please visit <http://www.ncdhhs.gov/dma/NPI.htm> and select NPI Mailing List. N.C. Medicaid encourages everyone to subscribe to the mailing list in order to stay up to date with the latest NPI information.

Corrected 1099 Requests – Action Required by March 1, 2007

Providers who received more than \$600 in Medicaid payments in calendar year 2006 have been sent 1099 MISC tax forms from EDS. The 1099 MISC tax forms, which were generated as required by IRS guidelines, were mailed to providers in January 2007 and reflect the tax information on file with Medicaid as of the last Medicaid checkwrite cycle date, December 21, 2006.

Providers whose tax name or tax identification number is incorrect on the 1099 MISC (for example, misspelled or transposed) must request a correction to the form to ensure that accurate tax information is on file with Medicaid and is sent to the IRS annually. When the IRS receives incorrect information on a 1099 MISC, it may require backup withholding in the amount of 28 percent of future Medicaid payments. The IRS could require EDS to initiate and continue this withholding to obtain correct tax data.

Please Note: Claims billed under an individual provider number rather than a group number are considered income to the individual, so the 1099 will reflect the individual's tax ID rather than a Federal ID number (which is associated with a group provider number). Corrected 1099s will not address this discrepancy. Instead, please bill under the group number as soon as the issue is identified.

Requests for correction to original 1099 MISC forms must be submitted to EDS by March 1, 2007, and must be accompanied by the following documentation:

- A copy of the original 1099 MISC
- A signed and completed IRS W-9 form clearly indicating the correct tax identification number and tax name. (Additional instructions for completing the W-9 form can be obtained at www.irs.gov under "Forms and Publications.")

Fax both documents to 919-816-3186 (Attention: Corrected 1099 Request – Financial)

Or

Mail both documents to:

EDS (Attention: Corrected 1099 Request – Financial) 4905 Waters Edge Drive, Raleigh, N.C. 27606

A copy of the corrected 1099 MISC will be mailed to you for your records. All corrected 1099 MISC requests will be reported to the IRS. In some cases, additional information may be required to ensure that the tax information on file with Medicaid is accurate. Providers will be notified by mail of any additional action that may be required to complete the correction to their tax information.

Coordination of Benefits

The N.C. Medicaid program cost avoids pharmacy claims for patients who have other coverage for drugs. The pharmacy will receive a denial through the Point of Sale (POS) system that the other third party should be billed as the primary payer. Medicaid can then be billed as a secondary payer. An "override" procedure for insurance that may have been dropped (cancelled) or is incorrect as of the date of service will be implemented. In order to submit overrides, the provider must have access to NCPDP field 308 – C8. *If you are unsure where this field is located on your software, you need to contact your software vendor or home office.*

Claim Segment defined as 308-C8 (other coverage code)

- Required/Optional/Not Used: Optional
- Field Type: N
- Max length: 2
- North Carolina Medicaid Specifications (override codes):
 - 01=No other coverage identified**
 - 02=Other coverage exists-payment collected** (should be used when other coverage exists, but payment applied to deductible)
 - 03=Other coverage exists-this claim not covered** (claim not covered under primary third party plan)
 - 04=Other coverage exists-payment not collected** (coverage exists, but not for this situation, i.e., such as early refill denial from other third party)
 - 07=Other coverage exists-not in effect at time of service** (other coverage exists but not on date of service)

If other coverage is indicated, the number '99' must be entered in field 338-5C.

When a claim is denied for other coverage, the POS system will deny the claim and will send the third party information that is currently indicated on the eligibility file. The message field will indicate:

MISSING/INVALID 3RD PARTY PMT": INSURANCE CARRIER / PHONE NUMBER /
POLICY NUMBER/ CARRIER CODE/POLICY HOLDER'S NAME/ RECIPIENT'S NAME/
INSURANCE ADDRESS

For recipients with MPW coverage (pink Medicaid identification card), the eligibility file automatically exempts the claim from the cost avoidance process. The pharmacist must indicate the diagnosis of V22.2 in the diagnosis field on the POS transaction for recipients who have a blue Medicaid card.

The overrides listed above will be reported back to Medicaid on a monthly basis.

Changes in Drug Rebate Manufacturers

The following changes are being made in manufacturers with Drug Rebate Agreements. They are listed by manufacturer code, which are the first five digits of the NDC.

Additions

The following labelers have entered into Drug Rebate Agreements and joined the rebate program effective on the dates indicated below:

<i>Code</i>	<i>Manufacturer</i>	<i>Date</i>
13435	Graceway Pharmaceuticals LLC.,	01/10/2007
14290	Triax Pharmaceuticals LLC.,	02/01/2007
23635	Mallinckrodt Brand Pharmaceuticals, Inc	02/05/2007
24839	SJ Pharmaceuticals LLC.,	01/24/2007
42930	Fresenius Medical Care North America	01/22/2007
66220	Cumberland Pharmaceuticals LLC.,	02/01/2007

Terminated Labelers

The following labeler code will be terminated effective 04/01/2007:

Iopharm Laboratories, Inc. (Labeler Code 61646)

The following labelers codes are being voluntarily terminated effective April 1, 2007:

Seneca Pharmaceuticals LLC., (Labeler Code 47028)
Harvest Pharmaceuticals LLC., (Labeler Code 67754)

Checkwrite Schedule

February 06, 2007	March 06, 2007	April 10, 2007
February 13, 2007	March 13, 2007	April 17, 2007
February 20, 2007	March 20, 2007	April 26, 2007
February 28, 2007	March 29, 2007	

Electronic Cut-Off Schedule

February 02, 2007	March 01, 2007	April 05, 2007
February 08, 2007	March 08, 2007	April 12, 2007
February 15, 2007	March 15, 2007	April 19, 2007
February 22, 2007	March 22, 2007	

Electronic claims must be transmitted and completed by 5:00 p.m. on the cut-off date to be included in the next checkwrite. Any claims transmitted after 5:00 p.m. will be processed on the second checkwrite following the transmission date. POS claims must be transmitted and completed by 12:00 midnight on the day prior to the electronic cut-off date to be included in the next checkwrite.



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